



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

RETRACTION

CLASSIFICATION CIRCULAR 7 – SCOA ADJUSTMENTS

PURPOSE

1. The purpose of this publication is to retract the changes contained in the *SCOA Classification Circular 7, paragraph 12 and 23* regarding Item and Asset segment. All government financial practitioners are hereby requested to consider this retraction when making classification decision for Assets less than R5000.

STATEMENT OF RETRACTION

Item Segment

2. *Assets<R5000* classification is still applicable and will continue to be used for the purchase of minor assets in the Item segment. The renaming of *Assets<R5000* to *Capital Assets<R5000* as published in Classification Circular 7 - SCOA adjustment published on the 18th February 2014 is hereby retracted.

Therefore, the Chart will continue with the structure as highlighted in Table 2.1 below.

Table 2.1: Highlight of the Assets<R5000 from the chart in **bold**:

3	4	5	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
		GOODS AND SERVICES	64	N	3
		ASSETS <R5000	343	N	4
		BUILDINGS AND OTHER FIXED STRUCTURES	1089	N	5
		BIOLOGICAL ASSET<R5000	1090	N	5
		HERITAGE ASSET<R5000	1091	N	5
		MACHINERY AND EQUIPMENT<R5000	1092	N	5
		TRANSPORT ASSETS<R5000	1093	N	5
		SOFTW AND INTANGIBLE ASSETS<R5000	1094	N	5
		SPECIALISED MILITRY ASSETS<R5000	1095	N	5

Asset Segment

Minor Assets<R5000

3. This retraction also affects the prior communicated amendments of Minor Assets less than R5000 in the Asset segment. Minor Assets less than R5000 category will **not** be renamed to Capital Assets less than R5000.

The Chart will continue with the structure as highlighted in Table 3.1 below.

*Table 3.1: Highlight of the Minor Asset<R5000 category from the chart in **bold**:*

1	2	3	SEGMENT DETAIL NO	P/NP LEVEL	LEVEL
	MINOR ASSETS<R5000		4	N	1
	TANGIBLE ASSETS<R5000		12	N	2
	BUILDINGS&OTHER FIXED STRUCTURES		14	N	3
	BIOLOGICAL ASSET<R5000		15	N	3
	HERITAGE ASSET<R5000		16	N	3
	TRANSPORT ASSETS<R5000		17	N	3
	MACHINERY & EQUIPMENT <R5000		18	N	3
	SPECIALISED MILITARY ASS<R5000		19	N	3

4. The SCOA Technical Committee noted with deep concern the inconveniences this retraction might cause on the budget capturing of the departments, and therefore apologizes and deeply regrets the impact of this action.

Contact information

5. Please contact the SCOA project team via the **SCOA call centre at (012) 315 5311**, or by sending a concise mail to scoa@treasury.gov.za if further clarity or discussion is required regarding this retraction.
6. For updated versions of the SCOA COR database and classification circulars please visit <https://scoa.treasury.gov.za/>

Regards,

SCOA Technical Committee

Date: 04 March 2014